

FISCAL NOTE

Bill #: SB0334

Title: Revise board of outfitters membership and approval of net client hunter use

Primary

Sponsor: Ken Mesaros

Status: Second reading copy

Sponsor signature	Date	Dave Lewis, Budget Director	Date
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Fiscal Summary

	<u>FY2000 Difference</u>	<u>FY2001 Difference</u>
Expenditures:		
State Special Revenue	\$141,277	\$135,777
Revenue:		
State Special Revenue	\$81,600	\$81,600
Net Impact on General Fund Balance:	\$0	\$0

<u>Yes</u>	<u>No</u>		<u>Yes</u>	<u>No</u>	
	X	Significant Local Gov. Impact		X	Technical Concerns
	X	Included in the Executive Budget		X	Significant Long-Term Impacts

Fiscal Analysis

ASSUMPTIONS:

Department of Commerce/Board of Outfitters

1. Under Section 4, the annual license fee for a nonresident outfitter, guide or professional guide would be increased if the nonresident state charges more than \$235 for a Montana outfitter and \$75 for a Montana guide or professional guide to obtain a license in that state. Fees charged by other states will have to be obtained prior to issuing an annual license. Information is not currently available to determine what additional revenues would be available for use by the Board of Outfitters.
2. Under Section 7, an outfitter who operates on leased private land would pay an annual fee of \$10 for each client served. The assumption is that if an outfitter operates on leased land, then the annual fee of \$10 per client served will apply to all clients of that outfitter regardless of where they hunt. Based upon a random sampling of the 1997 Hunting Stat Sheet – Outfitter use Levels, there would be 8,160 clients assessed the proposed fee of \$10, which would generate \$81,600. This projected revenue would be shared equally with the Department of Fish, Wildlife and Parks (FWP), yielding \$40,800 per agency.

(continued)

3. Under Section 7, a \$500 fee is proposed for each new client granted under a net client hunter use expansion. Records of the Board of Outfitters indicate that expansion requests resulted in an average increase of 1,532 clients per year. It is assumed that this number will decrease significantly with the passage of this bill so there is no way to determine the amount of revenue that will be generated as a result of this new fee. Any revenue collected would be shared equally with the FWP.
4. Under Section 7, an annual fee of \$5,000 is proposed for each camp located beyond a certain radius of the outfitter's base of operation. Outfitters currently are not required to report this information. A random sampling of one-third of the outfitter client logs for 1998 revealed 14 hunting outfitters who operated in another administrative region from their base of operations. This one-third sampling number multiplied by 3 to equal 100%, yields an estimated number of 42 that would pay the additional fee. It is assumed that this number will decrease with the passage of this bill, but there is no way to determine the amount of revenue that will be generated as a result of this new fee. Any revenue collected would be shared equally with the FWP.
5. Based on assumptions 2, 3, and 4, revenue generated under Section 7 of the bill that can be projected would equal \$81,600 for a total of \$40,800 per agency.
6. The Board of Outfitters would need 1.00 FTE statistician (grade 12) to implement and maintain records of actual clients served and actual leased acreage actively used by clients in addition to any other information designated by the board.
7. Travel and per diem will be needed to pay for meetings of the subcommittee. Assuming that the subcommittee will meet four times a year, expenses for five members for four, two-day meetings would be \$7,368. This includes \$2,000 per diem (\$50/day X 8 days); \$3,720 in-state travel (\$186 for 4 meetings); \$728 in-state meals (\$23/day X 8 days); and \$729 in-state lodging (\$36.40/night X 8 nights).
8. Operating costs of \$22,177 in FY 2000 and \$16,677 in FY 2001 would be required. The costs for each fiscal year include temporary secretarial services for data entry of \$6,300 (700 hours @\$9.00/hour); data network charges of \$1,224 (2 computers @\$51/month); general office supplies of \$500; telephone and long distances charges of \$698; office space rent which would double because of the lack of work space for existing & increasing staff of \$4,980; educational and training costs of \$300; indirect costs for personal services of \$2,675 in FY 2000 and FY 2001; and in FY 2000 office equipment including two personal computers, two chairs, and additional work stations at a cost of \$5,500.
9. The Department of Commerce, in HB252, has requested an appropriation to convert its existing databases to Oracle. If passed, the amount requested would be sufficient to cover the costs of creating a database to implement and maintain records provided for in assumption 6.

Department of Fish, Wildlife and Parks

10. An average of 30 net client hunter use (NCHU) expansions/definitions will occur annually.
11. Regional staff (grade 14) will need an average of 25 hours administrative time per expansion request to provide analysis and input to the Board of Outfitters.
12. Each region, except region 1, will require an additional 0.25 FTE to obtain updated regional access maps and trend data. Due to limited involvement in the program, Region 1 will require only 0.14 FTE.
13. Under Section 7, the department would receive half of the additional revenue generated from this bill up to an amount to cover the department's administrative expenses. Revenue estimates received from the Board of Outfitters indicate that only \$81,600 additional revenue will be received.
14. Due to the recent Montana Supreme Court decision pertaining to CI-75, the voter information package preparation and county distribution have been removed from this revised fiscal note.

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FISCAL IMPACT:

Department of Commerce:

	<u>FY2000</u> <u>Difference</u>	<u>FY2001</u> <u>Difference</u>
FTE	1.00	1.00

Expenditures:

Personal Services	\$29,300	\$29,300
Operating Expenses	<u>27,545</u>	<u>22,045</u>
TOTAL	\$56,845	\$51,345

Funding:

State Special Revenue (02)	\$56,845	\$51,345
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Revenues:

State Special Revenue (02)	\$40,800	\$40,800
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Net Impact to Fund Balance (Revenue minus Expenditure):

State Special Revenue (02)	(\$16,045)	(\$10,545)
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Department of Fish, Wildlife and Parks

FTE	2.00	2.00
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Expenditures:

Personal Services	\$66,432	\$66,432
Operating Expenses	<u>18,000</u>	<u>18,000</u>
TOTAL	\$84,432	\$84,432

Funding:

State Special Revenue (02)	\$84,432	\$84,432
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Revenues:

State Special Revenue (02)	\$40,800	\$40,800
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Net Impact to Fund Balance (Revenue minus Expenditure):

State Special Revenue (02)	(\$43,632)	(\$43,632)
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TECHNICAL NOTES:

1. Is it the intent of the Legislature that the \$10 for each client served by an outfitter who operates on leased private land applies to all clients served, whether or not they hunt on private or public land?
2. Page 10, line 14 should clarify that the department is the Department of Fish, Wildlife and Parks.